

STATE OF TENNESSEE

110th General Assembly

HOUSE OF REPRESENTATIVES

Finance, Ways & Means Subcommittee

Wednesday, April 11, 2018 - HHR I - Immediately Following Study Subcommittee

McCormick, Chair;

Brooks K, Camper, Coley, Fitzhugh, Hawk, Hazlewood, Hicks, Love, McDaniel,
Sargent, Williams

1. [HB 2185](#) *Carr , Farmer, White M (SB 2200 by *Swann)

Taxes, Hotel Motel - As introduced, requires municipalities to use any increase in tax levied on the privilege of occupancy in hotels to the extent authorized under a private act or general law, respectively, on tourism and tourism development. - Amends TCA Title 7, Chapter 4, Part 1 and Title 67, Chapter 4.

Fiscal Summary: NOT SIGNIFICANT

2. [HB 1895](#) *Matlock, Faison (SB 1572 by *Bell, Stevens, Kelsey)

Administrative Procedure (UAPA) - As introduced, clarifies definitions of "policy" and "rule" for rulemaking purposes; requires an agency to submit proposed policies to the attorney general for review; prohibits an agency from promulgating rules or implementing policies that infringe on an agency member's freedom of speech; and prescribes that only appointing authorities shall have the power to remove a member from a multi-member governmental entity. - Amends TCA Title 4, Chapter 5.

Fiscal Summary: Increase State Expenditures - \$15,000/One-Time
\$373,100/Recurring

Other Fiscal Impact - Time constraints associated with passage of rules or approval of policies under the provisions of this legislation could result in jeopardized federal funding to the Department of Health.

3. [HB 2110](#) *Goins (SB 2711 by *Bowling)

Criminal Procedure - As introduced, clarifies that an electronic version is acceptable for the annual compliance report on capital cases submitted by the administrative office of the courts to the chief clerks of the senate and house of representatives and chairs of the appropriate committees. - Amends TCA Title 38; Title 39; Title 40; Title 55, Chapter 10, Part 4 and Title 69, Chapter 9.

Fiscal Summary: NOT SIGNIFICANT

4. [HB 2111](#) *Goins, Gilmore (SB 2062 by *Stevens)

Criminal Procedure - As introduced, changes from March 1 to April 1 the date by which the department of safety must submit an annual seizure report to the speakers of the senate and house of representatives and to the chairs of the judiciary committee of the senate, civil justice committee of the house of representatives, and criminal justice committee of the house of representatives. - Amends TCA Title 8, Chapter 14; Title 8, Chapter 7; Title 38, Chapter 6; Title 39, Chapter 17, Part 4; Title 40 and Title 55, Chapter 10, Part 4.

Fiscal Summary: NOT SIGNIFICANT

5. [HB 2450](#) *Goins, Whitson (SB 2526 by *Ketron)

DUI Offenses - As introduced, removes penalty of Class A misdemeanor for refusing to consent to breath or blood test for DUI; makes various revisions to DUI law regarding breath and blood tests. - Amends TCA Title 39, Chapter 13; Title 40, Chapter 7, Part 1 and Title 55, Chapter 10, Part 4.

Fiscal Summary: Increase State Expenditures - \$33,500/One-Time

Increase Local Expenditures - Exceeds \$100,000/One-Time*

6. [HB 2071](#) *Holsclaw (SB 2047 by *Crowe)

Taxes, Sales - As introduced, exempts from sales and use taxes electrical hookup fees assessed by a marina. - Amends TCA Title 67, Chapter 6.

Fiscal Summary: Decrease State Revenue - Net Impact - \$50,000

Decrease Local Revenue - Net Impact - \$20,400

7. [HB 1804](#) *Howell, Daniel (SB 2473 by *Roberts)

Lobbying, Lobbyists - As introduced, prohibits a state or local licensing authority from entering into a contract with a lobbyist or a lobbying firm. - Amends TCA Title 3, Chapter 6, Part 3.

Fiscal Summary: Other Fiscal Impact - Licensing authorities seeking to extend or enter into contracts with lobbyists on or after July 1, 2018, will experience a shift in expenditures or cost avoidances. The extent of any such impact is dependent upon the individual needs of each licensing authority and cannot be reasonably determined.

8. [HB 1805](#) *Howell, Daniel (SB 2474 by *Roberts)

Licenses - As introduced, exempts certain persons from initial licensure fees imposed by health related boards and professional regulatory boards.
- Amends TCA Title 3, Chapter 6, Part 3; Title 23, Chapter 3; Title 49; Title 56; Title 62; Title 63 and Title 68.

Fiscal Summary: (CORRECTED)

Decrease State Revenue - Exceeds \$1,480,600/FY18-19
Exceeds \$2,961,100/FY19-20 and Subsequent Years

Increase State Expenditures - \$285,700/FY18-19
\$502,700/FY19-20 and Subsequent Years

Other Fiscal Impact - The Health Related Boards had an annual surplus of \$4,526,956 in FY15-16, an annual surplus of \$3,551,254 in FY16-17, and a cumulative reserve balance of \$32,645,083 on June 30, 2017.

The Regulatory Boards had an annual surplus of \$5,725 in FY15-16, an annual surplus of \$2,735,422 in FY16-17, and a cumulative reserve balance of \$26,350,035 on June 30, 2017.

9. [HB 2159](#) *Keisling, Faison, McDaniel, Byrd, Gant, Pitts (SB 2621 by *Norris, Bowling)

Criminal Offenses - As introduced, enacts the "Elderly and Vulnerable Adult Protection Act of 2018." - Amends TCA Title 39; Title 40 and Title 71.

Fiscal Summary: Increase State Expenditures - Net Impact - \$3,125,800 Incarceration*

Increase Local Expenditures - Less Than \$114,700**

10. [HB 1959](#) *Lamberth (SB 1974 by *Stevens)

Criminal Offenses - As introduced, creates Class B felony of selling, possessing, or manufacturing 15 grams or more of any substance containing fentanyl and Class A felony if the substance contains 150 grams or more of fentanyl. - Amends TCA Title 39, Chapter 13; Title 39, Chapter 14; Title 39, Chapter 15; Title 39, Chapter 16; Title 39, Chapter 17; Title 40, Chapter 35; Title 55; Title 63; Title 69, Chapter 9 and Title 70.

Fiscal Summary: Increase State Expenditures - \$12,429,000 Incarceration*

11. [HB 2106](#) *Travis (SB 1575 by *Norris, Yager, Jackson)

Prisons and Reformatory Institutions - As introduced, reduces from 30 to 15 the number of days within which a sheriff must report to the county legislative body the name of any prisoner who escapes while serving on a work detail. - Amends TCA Title 39; Title 40 and Title 41.

Fiscal Summary: NOT SIGNIFICANT

12. [HB 2098](#) *Casada, Wirgau (SB 2067 by *Kelsey)

Codes - As introduced, increases from 10 to 15 working days following the expiration of a building permit the amount of time that a municipal office has to return the copy of the certificate of insurance or the workers' compensation policy that was filed by the person who obtained the permit.
- Amends TCA Title 7 and Title 13.

Fiscal Summary: NOT SIGNIFICANT

13. [HB 0913](#) *Wirgau (SB 0891 by *Yager)

Local Government, General - As introduced, requires local governments to report, no later than February 1, 2018, to the general assembly the number of business licenses issued to places of accommodation for transients for calendar year 2017. - Amends TCA Title 5; Title 6; Title 7; Title 13; Title 67 and Title 68.

Fiscal Summary: NOT SIGNIFICANT

14. [HB 2143](#) *Hill T, Hardaway (SB 1877 by *Green)

Forfeiture of Assets - As introduced, requires comptroller to audit use of civil asset forfeiture proceeds by local law enforcement agencies and judicial district drug task forces during regular audit of local government; requires department of safety to publish uses of forfeiture proceeds by department and results of comptroller's audit on department's website. - Amends TCA Title 8, Chapter 4 and Title 40, Chapter 33, Part 2.

Fiscal Summary: Increase State Expenditures - \$3,600/Comptroller of the Treasury
Increase Local Expenditures - \$59,400*

15. [HB 2670](#) *Sexton C (SB 2662 by *Bailey, Gresham)

Education, State Board of - As introduced, designates the state board of education as the regulating authority for the public school athletic events of cross country, football, soccer, volleyball, golf, basketball, bowling, wrestling, baseball, softball, tennis, and track. - Amends TCA Title 49, Chapter 1; Title 49, Chapter 2; Title 49, Chapter 3 and Title 49, Chapter 6.

Fiscal Summary: Increase State Revenue - \$1,812,000/FY19-20 and Subsequent Years/State Board of Education

Increase State Expenditures -
\$542,300/FY18-19/State Board of Education
\$2,023,200/FY19-20 and Subsequent Years/
State Board of Education

16. [HB 2718](#) *Sexton C (SB 2750 by *Bailey)

Taxes, Hotel Motel - As introduced, authorizes the City of Crossville to levy a privilege tax upon the privilege of occupancy by a two-thirds vote of its governing body. -

Fiscal Summary: Increase Local Revenue - \$276,700/Permissive/City of Crossville

17. [HB 0717](#) *Johnson, Sexton C (SB 0777 by *Jackson)

Controlled Substances - As introduced, requires the commissioner of health to report by January 15, 2018, to the health committee of the house of representatives and the health and welfare committee of the senate on the impact of the recent legislation regulating and licensing pain management clinics in reducing the abuse of opioids in this state; also requires the commissioner to make appropriate recommendations for any needed additional legislation to address issues raised by opioid abuse. - Amends TCA Title 4; Title 33; Title 49; Title 53; Title 56; Title 63; Title 68 and Title 71.

Fiscal Summary: NOT SIGNIFICANT

18. [HB 1110](#) *DeBerry (SB 1109 by *Kyle, Yarbrow)

Disabled Persons - As introduced, authorizes department of safety to issue, upon request, special designation on driver and photo identification licenses for persons with developmental disabilities; establishes certain procedures for law enforcement interactions with persons with developmental disabilities. - Amends TCA Title 38; Title 40 and Title 55.

Fiscal Summary: Increase State Expenditures - Exceeds \$60,000/One-Time

Other Fiscal Impact - To the extent redesign of the driver license card can be accomplished with one of two available allowances permitted by the current third party vendor contract, any impact would be not significant. Otherwise, redesign of the card will result in an additional one-time state expenditure estimated to be \$100,000.

19. [HB 1808](#) *Hawk, Casada, Curcio (SB 2232 by *Norris, Watson, Ketron)

Insurance Companies, Agents, Brokers, Policies - As introduced, makes various changes to the insurance laws, including, but not limited to, changing the jurisdiction over claims challenging liability imposed by the insurance laws, granting the commissioner authority to provide by rule additional requirements for certain credits for reinsurance by a domestic ceding insurer, and requiring yearly submission of corporate governance annual disclosures. - Amends TCA Title 9 and Title 56.

Fiscal Summary: Increase State Revenue - \$50,000

Decrease State Expenditures - \$900

The Governors proposed budget for FY18-19, on page A-37, recognizes a recurring increase in state revenue to the General Fund of \$50,000.

20. [HB 0738](#) *Daniel, Brooks H, Weaver, Lollar (SB 0734 by *Gresham)

Education, Higher - As introduced, requires efficiency audits to be performed for public systems of higher education and public institutions of higher education; creates the joint higher education efficiency audit committee. - Amends TCA Title 3; Title 4; Title 12 and Title 49.

Fiscal Summary: Increase State Expenditures - \$2,100/FY16-17

Exceeds \$106,200/FY17-18

Exceeds \$104,100/FY18-19 and Subsequent Years

21. [HB 2386](#) *Daniel, Hardaway (SB 2603 by *Bell)

Administrative Procedure (UAPA) - As introduced, requires venue for appeals of contested case hearings be in chancery court nearest to the place of residence of the person contesting the agency action, chancery court nearest to the place the cause of action arose, or any court having subject matter jurisdiction. - Amends TCA Title 4, Chapter 5, Part 3.

Fiscal Summary: Increase State Revenue - Exceeds \$10,000/Attorney General

Increase State Expenditures - Exceeds \$59,200/General Fund

Exceeds \$10,000/Attorney General

Increase Federal Expenditures - \$49,200

22. [HB 1109](#) *DeBerry (SB 0987 by *Kelsey, Gardenhire)

Education - As introduced, removes requirement that an eligible student be previously enrolled in a public school for two semesters prior to receiving an individualized education account, attend a Tennessee school for the first time, or receive an account in the previous school year in order to be considered eligible to receive an individualized education account. - Amends TCA Title 49.

Fiscal Summary: (CORRECTED)

Increase State Revenue -

\$77,800/FY18-19/Department of Education

\$81,700/FY19-20/Department of Education

\$85,800/FY20-21/Department of Education

Exceeds \$85,800 /FY21-22 and Subsequent Years/Department of Education

Increase Local Expenditures - Exceeds \$583,500/FY18-19*

Other Fiscal Impact - For local education agencies (LEAs) with students that opt to participate in the IEA program, the net shift of state and required local BEP funding from these local education agencies to the participating entities is estimated as follows: \$1,867,300 in FY18-19; \$1,961,600 in FY19-20; \$2,059,400 in FY20-21; and amounts exceeding \$2,059,400 in FY21-22 and subsequent years.

23. [HB 1467](#) *Gilmore, Hardaway (SB 1637 by *Yarbro)

Criminal Offenses - As introduced, creates the Class C felony offense of reckless endangerment by discharging a firearm into a parade, religious service, concert, athletic event, political event, educational event, or into any other group of 25 or more people who are lawfully assembled. - Amends TCA Title 39, Chapter 13, Part 1.

Fiscal Summary: Increase State Expenditures - \$460,300 Incarceration*

24. [HB 0825](#) *Gilmore (SB 0919 by *Dickerson)

Sentencing - As introduced, requires a court to sentence a person who was convicted of a nonviolent offense and is the primary caretaker of a dependent child to an individually assessed sentence based on community rehabilitation with a focus on parent-child unity and support. - Amends TCA Title 40 and Title 41.

Fiscal Summary: Decrease State Expenditures - Exceeds \$251,100/Incarceration*

25. [HB 2087](#) *Hardaway, Turner (SB 2636 by *Norris)

Holidays and Days of Special Observance - As introduced, creates a planning commission to plan for the celebration during calendar year 2018 of the life, legacy, and accomplishments of Dr. Martin Luther King, Jr. -

Fiscal Summary: Increase State Expenditures - \$9,100/FY17-18

26. [HB 2608](#) *Mitchell, Powell (SB 2312 by *Harris, Crowe)

TennCare - As introduced, requires TennCare to establish a procedure that allows recipients under the age of 18 to reapply for TennCare online without requiring any paper forms; requires implementation of this procedure no later than November 1, 2018. - Amends TCA Title 71.

Fiscal Summary: Increase State Expenditures - \$1,500,000/One-Time

Increase Federal Expenditures - \$13,500,000/One-Time

27. [HB 1363](#) *Mitchell (SB 1373 by *Briggs)

General Assembly - As introduced, prohibits use of state funds for registration fees to, and for travel to or from, conferences, symposiums, and workshops beginning May 1, 2017; requires disclosure of travel expenses paid by certain national organizations. - Amends TCA Title 3, Chapter 13 and Title 3, Chapter 1.

Fiscal Summary: Decrease State Expenditures -

\$17,800/Office of Legislative Administration/FY16-17
\$106,700/Office of Legislative Administration/FY17-18 and
Subsequent Years

28. [HB 2150](#) *Pitts, Ramsey (SB 2127 by *Jackson)

Professions and Occupations - As introduced, creates the professional art therapist advisory committee of the board of examiners in psychology to regulate the practice of art therapy. - Amends TCA Title 4, Chapter 29, Part 2 and Title 63.

Fiscal Summary: Increase State Revenue - \$10,500/FY18-19/Board of Examiners in Psychology

\$10,500/FY19-20/Board of Examiners in Psychology
\$7,900/FY20-21 and Subsequent Years
/Board of Examiners in Psychology

Increase State Expenditures - Less than \$11,200/FY18-19

/Board of Examiners in Psychology
Less than \$12,000/FY19-20
/Board of Examiners in Psychology
Less than \$9,400/FY20-21 and Subsequent Years
/Board of Examiners in Psychology

Other Fiscal Impact - Pursuant to Tenn. Code Ann. § 4-29-121, all health related boards are required to be self-supporting over a two-year period. The Board of Examiners in Psychology had an annual surplus of \$78,383 in FY15-16, an annual surplus of \$64,956 in FY16-17, and a cumulative reserve balance of \$1,068,496 on June 30, 2017.

29. [HB 2315](#) *Reedy, Terry, Sexton J, Moody, Rogers, Hill M, Goins, Eldridge, Byrd, Matheny, Boyd, Matlock, White D, Weaver, Keisling, Zachary, VanHuss, Carr, Vaughan, Crawford, Hawk, Whitson, Tillis, Kane, Calfee, Marsh, Sexton C, Lynn, Johnson, Moon, Hill T, Holt, Casada, Holsclaw, Halford, Brooks H, Sargent, Brooks K, McCormick, McDaniel, Carter, Travis, Gant, Smith, Sherrell, Powers, Lollar, Gravitt, Sparks, Littleton, Hulsey, Coley, Ragan, Doss, Lamberth, Howell, Hicks, Williams, Faison, Kumar, Butt, Forgety, Harwell, Daniel, Rudd, Alexander, White M (SB 2332 by *Green, Bell, Ketron, Roberts, Pody, Southerland, Bowling, Jackson)

Immigration - As introduced, prohibits state and local governmental entities and officials from adopting sanctuary policies; authorizes Tennessee residents and members of the general assembly to submit complaints to the attorney general; provides that violations subject entities to ineligibility of state moneys; requires law enforcement agencies to enter into memorandums of agreement with federal officials concerning enforcement of federal immigration laws. - Amends TCA Title 4; Title 7; Title 8; Title 9; Title 38; Title 39 and Title 40.

Fiscal Summary: Other Fiscal Impact - Due to multiple unknown factors, any fiscal impact to federal or local government cannot be quantified with reasonable certainty. State funding will be withheld if a local government entity is found to be out of compliance with sanctuary policy requirements. However, the extent, timing, and duration for any withheld state funds are dependent upon multiple unknown factors and cannot be reasonably determined.

30. [HB 2361](#) *Smith (SB 2354 by *Massey)

Motor Vehicles - As introduced, urges the department of general services to submit a report to the transportation committee of the house of representatives and the transportation and safety committee of the senate that contains the number of purchases and leases of government-owned or -operated vehicles capable of using alternative fuel; the number of conversions of such vehicles from the use of gasoline or diesel fuel to the use of alternative fuel; and the quantity of each type of alternative fuel used. - Amends TCA Title 5; Title 6; Title 7; Title 9; Title 54; Title 55 and Title 67.

Fiscal Summary: NOT SIGNIFICANT

31. [HB 2426](#) *Smith, White M (SB 1502 by *Gresham, Kelsey, Crowe, Gardenhire, Haile, Hensley, Lundberg, Roberts, Tate)

Education - As introduced, requires driver education courses to include an area of instruction on the impact of talking and texting on a mobile phone on a student's driving abilities. - Amends TCA Title 4 and Title 49.

Fiscal Summary: NOT SIGNIFICANT

32. [HB 2310](#) *Vaughan, McCormick, Gant, Carter (SB 2119 by *Stevens)

Taxes - As introduced, permits a county or municipal governing body to advertise its intent to exceed the certified property tax rate on the official website for the county or municipality, as applicable. - Amends TCA Title 67.

Fiscal Summary: NOT SIGNIFICANT

33. [HB 2371](#) *Brooks K, Forgety, Howell (SB 2287 by *Bell)

State Government - As introduced, replaces the secretary of state and department of state with the commissioner of tourist development and department of tourist development on the Tennessee sports hall of fame board of directors and executive committee. - Amends TCA Title 4, Chapter 3, Part 54.

Fiscal Summary: Increase State Expenditures - \$800/One-Time
\$71,900/Recurring

34. [HB 1345](#) *Camper (SB 1277 by *Norris)

Taxes, Exemption and Credits - As introduced, establishes a pilot program to issue franchise and excise tax credits to shippers making shipments into and from Shelby County; requires a shipper to establish and implement a turn-around policy that meets certain requirements. - Amends TCA Title 55 and Title 67.

Fiscal Summary: Decrease State Revenue - Exceeds \$2,065,900/FY18-19 and Subsequent Years

Increase State Expenditures - \$149,300/FY18-19
\$139,600/FY19-20 and Subsequent Years

Other Fiscal Impact - Secondary economic impacts may occur as a result of this bill. Such impacts may be reflected as improvements in shipment delivery times for Tennessee businesses, an increase in the states competitiveness in retaining existing shipping companies and recruiting other shipping companies to locate in the state, and additional commercial activity in the state as a result of qualified companies reinvesting their savings in the states economy. Any fiscal impacts directly attributable to such economic impacts are considered secondary and cannot be quantified with reasonable certainty.

35. [HB 2114](#) *Hawk, Casada, Byrd, White M, Johnson, Williams (SB 2259 by *Norris)

Education, Higher - As introduced, enacts the "Complete College Tennessee Act." - Amends TCA Title 49, Chapter 4, Part 7; Title 49, Chapter 4, Part 9 and Title 49, Chapter 8, Part 1.

Fiscal Summary: Decrease State Expenditures -
\$3,968,000/FY19-20/Lottery for Education Account
Exceeds \$3,968,000/FY20-21 and Subsequent Years/
Lottery for Education Account

36. [HB 2154](#) *Hawk (SB 1989 by *Stevens)

Tobacco Master Settlement Agreement - As introduced, revises certain circumstances under which the commissioner of revenue must not include or retain a non-participating manufacturer in the directory of certified tobacco product manufacturers. - Amends TCA Title 67, Chapter 4.

Fiscal Summary: Other Fiscal Impact - This legislation could subject non-participating manufacturers (NPMs) to a rate adjustment, and as a result, a recalculation of Master Settlement Agreement (MSA) payments made by participating members due to their loss of market share to NPMs. The extent and timing of any rate adjustment is subject to arbitration and cannot be reasonably determined; however, any such rate adjustment is estimated to result in a significant recurring decrease of MSA payments to the state.